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1 UNITED STATES BANKRUPTCY COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 Case No. 23-10063-shl

4 Adv. Case No. 23-01192-shl

5 - - - - - x

6 In the Matter of:

7

8 GENESIS GLOBAL HOLDCO, LLC,

9

10 Debtor.

11 - - - - - x

12 GEMINI TRUST COMPANY, LLC,

13 Plaintiff,

14 v.

15 GENESIS GLOBAL CAPITAL, LLC et al.,

16 Defendants.

17 - - - - - x

18 United States Bankruptcy Court

19 300 Quarropas Street, Room 248

20 White Plains, NY 10601

21

22 December 13, 2023

23 2:09 PM

24

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Page 2

1 B E F O R E :
2 HON SEAN H. LANE
3 U.S. BANKRUPTCY JUDGE
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5 ECRO: ALIANNNA PERSAUD

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1 HEARING re OMNIBUS

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3 HEARING re Doc. #1036 Notice of Agenda

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5 HEARING re Doc. #971 Motion To Authorize The Debtors To (I)
6 Further Extend The Coverage Period Of Certain Insurance
7 Policies And (II) Granting Related Relief

8

9 HEARING re Doc. # 1009 Motion To Approve Restrictions On
10 Certain Actions Of DCG

11

12 HEARING re Doc. #935 Second Application For Interim
13 Professional Compensation For Cleary Gottlieb Steen &
14 Hamilton LLP, Debtor's Attorney, Period: 6/1/2023 To
15 8/31/2023, Fee: \$12,832,865.00, Expenses: \$456,974.23

16

17 HEARING re Doc. #939 Second Application For Interim
18 Professional Compensation for Alvarez & Marsal North
19 America, LLC, Other Professional, period: 6/1/2023 to
20 8/31/2023, Fee: \$3,132,687.50, Expenses: \$5,118.83

21

22 HEARING re Doc. #920 First Application For Interim
23 Professional Compensation For Grant Thornton
24 LLP, Other Professional, Period: 4/4/2023 To 9/30/2023, Fee:
25 \$74,635.50, Expenses: \$938.00

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1 Doc. #922 Second Application For Interim Professional
2 Compensation For M3 Advisory Partners, LP, Other
3 Professional, Period: 6/1/2023 To 9/30/2023, Fee:
4 \$843,764.50, Expenses: \$890.71

5

6 HEARING re Doc. #923 Second Application For Interim
7 Professional Compensation Of Morrison Cohen LLP, Special
8 Litigation and Enforcement Counsel To The Debtors Period:
9 6/1/2023 To 9/30/2023, Fee: \$230, 866.50, Expenses:
10 \$5,448.69

11

12 HEARING re Doc. #936 First Interim Fee Application Of Kroll
13 Restructuring Administration LLC, As Administrative Advisor
14 To The Debtors

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16 HEARING re Doc. #925 Second Application For Interim
17 Professional Compensation For Moelis & Company LLC, Other
18 Professional, Period: 6/1/2023 To 9/30/2023, Fee: \$800,000,
19 Expenses: \$43,961.04

20

21 HEARING re Doc. #917 Second Application For Interim
22 Professional Compensation Of White & Case LLP, Counsel To
23 The Official Committee Of Unsecured Creditors Period:
24 6/1/2023 To 9/30/2023, Fee: \$5,517,240.00,
25 Expenses: \$8,949.00

1 HEARING re Doc. #929 Second Application For Interim
2 Professional Compensation Of Seward & Kissel LLP, For John
3 R. Ashmead, Creditor Committee Attorney, Period: 6/1/2023 To
4 9/30/2023, Fee: \$43,152.50, Expenses: \$1,277.10

5

6 HEARING re Doc. #931 Second Application For Interim
7 Professional Compensation Of Houlihan Lokey Capital, Inc.,
8 Investment Banker For The Official Committee Of Unsecured
9 Creditors Period: 6/1/2023 to 9/30/2023, Fee: \$600,000.00,
10 Expenses: \$22,292.39

11

12 HEARING re Doc. #934 Second Application For Interim
13 Professional Compensation For Berkeley Research Group, LLC,
14 Other Professional, Period: 6/1/2023 To 9/30/2023, Fee:
15 \$4,667,850.00, Expenses: \$14,642.49

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17 HEARING re Adversary proceeding: 23-01192-shl Gemini Trust
18 Company, LLC v. Genesis Global Capital, LLC et al
19 Pre-Trial Conference

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23

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25 Transcribed by: Sonya Ledanski Hyde

1 A P P E A R A N C E S :

2

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8 BY: LUKE A. BAREFOOT

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10 JANE VANLARE

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21 BY: BRIAN ROSEN

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1 WEIL, GOTSHAL & MANGES LLP

2 Attorneys for Digital Currency Group

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6 BY: JEFFREY D. SAFERSTEIN

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8 ALSO PRESENT TELEPHONICALLY:

9 ERIN E. DIERS

10 KEN LUKASZEWSKI

11 WALT NEUSCHAEFER

12 PHILIP RIES

13 MEI AO

14 PAUL ARONSON

15 ERIC IAN ASQUITH

16 OLIVER BAKES

17 BRENDON BARNWELL

18 ANDREW BEHLMANN

19 BENJAMIN S. BELLER

20 GABRIEL BRUNSWICK

21 GABRIEL BRUNSWICK

22 BRIAN BULTHUIS

23 DAVID CHAN

24 SAM CASCANTE

25 TOM CONHEENEY

1 ERIC C. DAUCHER
2 MICHAEL DIYANNI
3 MICHAEL S. ETKIN
4 KELLY FRAZIER
5 ADAM J. GOLDBERG
6 SARAH HARNETT
7 DERAR ISLIM
8 ALI A. ISMAIL
9 ZUL JAMAL
10 KEEF JOHNSON
11 BARAK KLEIN
12 TUKISHA KNOX
13 GLEN KRATOCHVIL
14 IAN LANDSBERG
15 MICHAEL LETO
16 JESSICA LIOU
17 KEN LUKASZEWSKI
18 MEI MA
19 ERIC S. MEDINA
20 MICHELE MEISES
21 EVELYN J. MELTZER
22 ANAIS MITRA
23 NIMA MOHEBBI
24 WALT NEISCHAEFER
25 BRETT MATTHEW NEVE

1 JOHN NGUYEN
2 MICHAEL PAPANDREA
3 AMANDA PARRA CRISTE
4 GREGORY F. PESCE
5 REBEKAH PRESLEY
6 ARIANNA PRETTO-SAKMANN
7 PHILIP RIES
8 CHRISTIAN RIBEIRO
9 RYAN ROMAN
10 HEATH DOUGLAS ROSENBLAT
11 JORDAN SAZANT
12 JOE SCIAMETTA
13 SALLY SICONOLFI
14 FUQAAAN SIDDIQUI
15 DUSTIN P. SMITH
16 JASON SOTO
17 ANDREW SULLIVAN
18 GABE SUTHERLAND
19 ANDREW SWIFT
20 NACIF TAOUSSE
21 BRIAN TICHENOR
22 REBECCA TRICKEY
23 FRANCISCO VAZQUEZ
24 MEGHANA VUNNAMADALA
25 JEREMY WALDRIP

1 ANDREW W. WEAVER
2 GREG M. ZIPES
3 IAN BERKMAN
4 ALEX VAN VOORHEES
5 ERIC IAN ASQUITH
6 CLIFFORD KOUTSKY
7 KYLE MCKUHEN
8 NINA BAMBYSHHEVA
9 MARI BICKNELL
10 SABRINA ASHA BREMER
11 RODNIKA CARTER
12 PATRICK CHARLES
13 JADE DYER-KENNEDY
14 DEANDRA FIKE
15 ASHLYN GALLAGHER
16 UDAY GORREPATI
17 DAVID C. HARTMAN
18 MIRANDA HATCH
19 MADDIE HUNDLEY
20 ANA LUCIA HURTADO
21 HOO RI KIM
22 DIETRICH KNAUTH
23 CLIFFORD KOUTSKY
24 MIKE LEGGE
25 BRADLEY LENOX

1 SAMUEL LEVANDER
2 THOMAS Q. LYNCH
3 JACK MASSEY
4 AKIKO MATSUDA
5 KYLE MCKUHEN
6 RICHARD CHESTER MINOTT
7 TYLER OKADA
8 DEEP PATEL
9 KATTIE ROSS
10 ANDRES FELIPE SAENZ
11 SAMIRA SARAN
12 DAVID Z. SCHWARTZ
13 ANDY SEBE
14 DAVID SHREVE
15 PETER J. SPROFERA
16 PO J. SPOFERA
17 VINCE SULLIVAN
18 GORDON SUN
19 CATHY TA
20 KATE THOMAS
21 GEMMA TUNG
22 MICHAEL WEINBERG
23 TIM WOLFE
24
25

1 | PROCEEDINGS

2 THE COURT: Good afternoon. We are here this
3 afternoon for an omnibus hearing in Genesis Global Holdco,
4 LLC, and a few adversary proceedings. We'll start, as we
5 always do, with appearances. So, starting with Debtor's
6 Counsel.

7 MR. BAREFOOT: Good morning, Your Honor, Luke
8 Barefoot, from Cleary Gottlieb Steen & Hamilton. And I'm
9 joined by my partners, Sean O'Neal and Jane VanLare.

10 THE COURT: All right, good afternoon. And on
11 behalf of the Official Committee of Unsecured Creditors?

12 MR. ABELSON: Good afternoon, Your Honor. Phil
13 Abelson, White & Case, on behalf of the Committee. I'm
14 joined today by Chris Shore and Colin West.

15 THE COURT: All right, good afternoon. On behalf
16 of Gemini Trust Company?

17 MR. BURKE: Good afternoon, Your Honor. Donald
18 Burke of Willkie Farr & Gallagher, for Gemini Trust Company.
19 Joined by my -- Mark Stanfil, and also our co-counsel, Anson
20 Frenlinghuysen, at Hughes Hubbard & Reed.

21 THE COURT: All right, good afternoon. On behalf
22 of the Ad Hoc Group?

23 MR. ROSEN: Good afternoon, Your Honor. Brian
24 Rosen, Proskauer Rose, on behalf of the Ad Hoc Group.

THE COURT: All right. On behalf of Digital

1 Currency Group?

2 MR. SAFERSTEIN: Jeffrey Saferstein from Weil
3 Gotshal & Manges on behalf of Digital Currency Group.

4 THE COURT: All right. Good afternoon. And as is
5 often, or always the case for this particular matter, there
6 are pages and pages of folks who are going to participate in
7 today's hearing. But that's different than needing than
8 needing everybody's appearance for the folks who anticipate
9 speaking at the hearing. So, with that, I'll throw it over,
10 throw it open to anybody else who needs to make an
11 appearance at this time, who has ... hold on a second ... all
12 right, sorry, I don't know what that was, but it's gone now.

13 So, I'll throw it open to anybody else who needs
14 to make an appearance, with the understanding that if
15 someone doesn't chime in now but needs to speak later, they
16 can always enter their appearance later. But with that
17 said, anybody else?

18 All right. So, I do have a copy of the amended
19 agenda that was filed on the docket for today. And so, I'll
20 turn it over to Debtor's counsel in the first instance, to
21 give sort of an overview of how we expect to go through the
22 agenda.

23 Oh, and I guess one last thing I would say, I know
24 for one of the adversary proceedings, I know there were a
25 series of letters on the 12th, Docket 11 and 12 on ... for

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1 Adversary Proceeding 23-1192, about scheduling. I just
2 wanted to make sure that people know I have them, I've read
3 them. So, just check that box.

4 So, with that, I'll turn it over to Debtor's
5 counsel.

6 MR. BAREFOOT: Thank you, Your Honor, Luke
7 Barefoot from Cleary Gottlieb again, for the Debtors.
8 Subject to Your Honor's views, we would propose to proceed
9 in the order of matters listed on the amended agenda that
10 was filed at Docket Item 1041 and begin with the Insurance
11 Motion.

12 THE COURT: All right, please.

13 MR. BAREFOOT: Thank you, Your Honor. So, then
14 the first item on the agenda is the Debtor's Motion for
15 Authorization, and to the extent required, to extend the
16 coverage period on certain of their directors' and officers'
17 liability policies. At the outset, as an evidentiary
18 matter, I'd like to introduce into the record, as hear
19 direct testimony, the declaration of Arianna Pretto-Sakmann,
20 which was filed as Exhibit B to the motion.

21 THE COURT: All right, anybody wish to be heard on
22 the request to admit that as evidence for today's
23 proceeding? Hearing no response and noting that, in fact,
24 there has been no objections to the motion as well, I'm
25 happy to receive it.

1 MR. BAREFOOT: Thank you, Your Honor. Your Honor,
2 as the motion explains, and as the Court may recall, the
3 Debtors previously extended the coverage period on these
4 policies through December 28 of this year, thinking,
5 hopefully, at the time, that that would get us through the
6 emergency. In light of the current confirmation schedule,
7 we are seeking, through this motion, an additional three-
8 month extension, through March 28, 2024, of the coverage
9 period. And at the same time, are seeking to put into place
10 six years of tail coverage that would begin on the effective
11 date. The total cost for both of those pieces is
12 approximately 2.1 million. However, the Debtors will
13 receive a pro rata refund, to the extent that they emerge
14 prior to the March 28, 2024 date.

15 There was, as Your Honor noted, no opposition
16 filed to the motion. The Debtors did agree to certain
17 revisions, through informal discussions, with counsel for
18 the Official Committee, and we filed a revised proposed
19 order at Docket Item 1035, reflecting those revisions, which
20 give the Committee consultation rights and a reservation of
21 rights, concerning the allocation of cost for these extended
22 policies, between the Debtors and their non-debtor
23 affiliates, who are also covered under the terms of the
24 policies.

25 So, unless Your Honor has any questions, we would

1 respectfully request entry of the proposed order.

2 THE COURT: All right, thank you very much.

3 Anything from the Official Committee?

4 MR. ABELSON: No, Your Honor.

5 THE COURT: All right, thank you very much.

6 Anything from any other party? All right, hearing no
7 response, I am happy to grant the motion for all the reasons
8 that you set forth and summarize here this afternoon, and
9 then are set forth in more detail in the motion, I find it
10 appropriate under the facts and circumstances of the case,
11 and consistent with applicable law. And thank you for the
12 revised proposed order. And we can move onto the next
13 matter.

14 MR. BAREFOOT: Very good, Your Honor. I'll turn
15 it over to my partner, Mr. O'Neal.

16 MR. O'NEAL: Good afternoon, Your Honor. Sean
17 O'Neal, Cleary Gottlieb, on behalf of the Debtors. We are
18 here today on the, what we call the NOL Motion. On October
19 -- November 29, we filed a motion at Docket Number 1009,
20 seeking an order approving restrictions on certain actions
21 by DCG, our corporate parent, that could impair our interest
22 in net operating losses, NOLs, that are generated by the
23 Debtors.

24 The motion is not opposed, and DCG has consented
25 to its entry. Before we even filed the motion, we

1 circulated a draft motion order to the main parties in
2 interest; the Creditors Committee, the Ad Hoc Group, and
3 the, and DCG. And their comments on the motion and order
4 are reflected in what you have before you, Your Honor. It
5 is a customary motion, similar to motions that Your Honor
6 has probably seen in very many cases.

7 As stated in the motion, DGH, the Debtors, have
8 generated more than 700 million in federal net operating
9 losses. That can be carried forward to reduce taxable
10 income in future periods. The bulk of these losses, if not
11 all of them, were generated by the Three Arrows Capital
12 situation. And as Your Honor is aware, it's well settled
13 through Prudential and other precedent, that a debtor's
14 interest in net operating losses are property of the estate.
15 And here, we're simply trying to protect that property.

16 Currently, the Debtors are part of a consolidated
17 group, for tax purposes, with DCG. That means that DCG can
18 utilize NOLs, but it also means that DCG must include the
19 Debtor's taxable income in the group consolidated return.
20 And we filed the motion because, you know, without the
21 motion, DGH's ability to use NOLs could be impaired. For
22 example, if DGH were removed from the DCG consolidated tax
23 group, or if DCG -- or I should say, the Debtors, were to
24 undergo an ownership change by means of a worthless stock
25 deduction or otherwise.

1 Accordingly, the motion seeks to restrict DCG from
2 deconsolidating with DGH, from claiming worthless stock
3 deduction with respect to DGH stock, or otherwise causing an
4 ownership change. There is a process that is described in
5 the motion and order that if DCG desires to take such
6 action, they will have to give us and the notice party 10
7 days' notice. And then, if there is no objection, it could
8 go forward on the basis as described in the notice. And if
9 there is an objection, there'd have to be a court hearing.

10 And as I said, Your Honor, these are relatively
11 standard procedures, and there are no objections.

12 Unless Your Honor has any questions or comments,
13 we respectfully request that the Court enter the order.

14 THE COURT: All right, thank you very much.
15 Anything from the Committee?

16 MR. ABELSON: No, Your Honor.

17 THE COURT: All right, thank you. Anything from
18 any other party?

19 MR. SAFERSTEIN: Your Honor, very quickly, Jeffrey
20 Saferstein from Weil Gotshal & Manges on behalf of Digital
21 Currency Group. As Mr. O'Neal set out, we worked with the
22 Debtors to come up with an acceptable form of order, and
23 which we were able to do. So, on that basis, DCG has no
24 objection.

25 THE COURT: All right, thank you very much. Any

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1 other party? All right, hearing nothing further, seeing no
2 objection on the docket to this motion, I'm happy to grant
3 it for the reasons summarized this afternoon by Mr. O'Neal
4 and set forth in more detail in the motion, as appropriate
5 under the facts and circumstances, and consistent with
6 applicable law. It's obviously crucial, crucial importance
7 to preserve the substantial asset of the estate, and this
8 motion does that. So, motion is granted. So, Mr. O'Neal,
9 back to you or another member of your team.

10 MR. O'NEAL: Thank you, Your Honor. We're going
11 to turn it over to Ms. VanLare, who is going to address the
12 fee applications.

13 THE COURT: All right, thank you.

14 MS. VANLARE: Good afternoon, Your Honor. Jane
15 Vanlare, Cleary Gottlieb Steen & Hamilton on behalf of the
16 Debtors. I would like to present the Debtors, the Debtor
17 professionals' fee applications that were filed on the
18 docket. And then I'll turn it over to the Committee to
19 present the Committee professionals' fee applications.

20 I will start with the fee application filed by our
21 firm, Cleary Gottlieb Steen & Hamilton, at ECF number 935.
22 We have, subsequent to the filing of the fee application, we
23 did receive some comments from the US Trustee, following
24 discussions with Mr. Zipes, we agreed to reduce our fee
25 request by \$33,975. We believe that the US Trustee's issues

1 are resolved and they don't have additional objections to
2 the fee application. We do think that Your Honor be, we ask
3 that you approve the application in light of the work that's
4 been done by our firm and all the progress that we have
5 made.

6 In addition, we did discuss with the Office of the
7 US Trustee, and we did file a proposed, revised proposed
8 order, reflecting a reduction in the holdback. So, as you
9 may recall, Your Honor, following the hearing on our first
10 interim fee application, in which Your Honor instructed us
11 to apply a 20 percent holdback, we did that, as did all of
12 the other estate professionals, Debtor and Committee
13 professionals. Now, we are much later in the case. As I
14 mentioned, we think there's been a lot of progress made in
15 the case. And we did reach out to the Office of the US
16 Trustee, we spoke to them, and believe that they have no
17 objections to a 10 percent holdback going forward, of the --
18 excuse me, a 10 percent holdback as it relates to the first
19 interim and the second interim application. I think they
20 reserve their rights on future interim fee applications.

21 We have discussed this with Committee
22 professionals, as well as other major constituencies in
23 these cases, including the Ad Hoc Group and Gemini, and
24 neither of those parties have objected.

25 We reached out to Chambers, and understand that

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1 Your Honor has views on that and, of course, would
2 appreciate hearing from you. But the request is for you to
3 approve the application, subject to the release of the 10
4 percent in the holdback.

5 THE COURT: Mr. Zipes, anything from the UST?

6 MR. ZIPES: Your Honor, Greg Zipes with the US
7 Trustees Office. We had that discussion and Your Honor, I
8 would just state that every case is, is its own unique
9 facts. And we are, as Ms. VanLare stated, we are not
10 necessarily agreeing in any future fee application cycle, to
11 agree to the same holdback. Your Honor, we also, obviously,
12 it's the Court's ultimate decision.

13 THE COURT: Thank you very much. Anybody else
14 wish to be heard on the application of Clearly Gottlieb.
15 All right, hearing nothing further ...

16 I'm obviously happy to approve the application,
17 given all the work that's been done and the progress that's
18 been made, that is detailed in an extensive way, in the fee
19 application itself. As for the holdback, some of you may
20 have heard this speech before, so if you have, I apologize,
21 I'll keep it short.

22 The idea of having a policy on holdbacks did not
23 have to negotiate it in every case, because then it feels
24 vaguely pejorative. Your case is, is, is, you know, in one
25 situation, your case is in another. And so, I have the

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1 general policy, that's how all cases start out. And as they
2 progress, as this one has, towards a conclusion, which we
3 see in the, down the road, in a February confirmation
4 hearing, then we assess as we go forward.

5 So, I agree that it is a case-by-case circumstance
6 here, given everything that I've seen and the recoveries
7 that have been discussed in considerable detail at the
8 disclosure statement hearing, and in other vehicles
9 throughout the course of the case. It's pretty clear we
10 don't have any issue with administrative, being
11 administratively insolvent, or any such things, which is one
12 of the reasons for having a holdback in the first place.

13 So, under the facts and circumstances of the case,
14 I'm happy to go along with your suggestion here. And so, I
15 appreciate the transparency about it, and the conversations
16 in advance of the court hearing. But I agree with you. And
17 again, it's not a reflection of any views, a change in any
18 of my views about this holdback in cases going forward. And
19 again, they all start out in the same way, and then we sort
20 of see how it goes. So, I think it's ... we definitely
21 reached an appropriate time and place for, for this
22 approach. So, I, I'm happy to agree.

23 MS. VANLARE: Thank you very much, Your Honor.

24 THE COURT: And as for the other applications, I
25 see we have another six, so I'm happy, maybe, if you want to

1 do them in two groups, perhaps, as you see fit.

2 MS. VANLARE: Sure, Your Honor. Following Cleary
3 Gottlieb, next on the agenda we have the fee application of
4 Alvarez and Marsal North America, LLC, that was filed at
5 Docket 939. That request is also reflected in the proposed
6 fee order.

7 Following that, Your Honor ... I'm sorry, I'll pause
8 there, see if anybody has any, if you have any questions on
9 the Alvarez --

10 THE COURT: All right. Well, I would suggest we
11 do them as a group and then I'll canvas the virtual room for
12 any comments on, on -- however many you want in the group,
13 I'll leave to your considered professional judgment.

14 MS. VANLARE: Sounds good, Your Honor. Thank you.

15 Then, next, we have the Grant Thornton LLP interim
16 application. This is actually a first interim fee
17 application that is the Debtor's tax advisor.

18 Next we have the fee application of M3 Advisory
19 Partners LP. This is the second interim fee application
20 filed at Docket number 922. M3 Advisory Partners is a
21 financial advisor to the Debtors.

22 Next we have the fee application of Morrison Cohen
23 LLP, second interim fee application as well. This fee
24 application was filed at Docket number 923.

25 Next we have the application of Kroll

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1 Restructuring Administration LLC. That was filed at Docket
2 number 936.

3 Next we have the Moelis & Company LLC second
4 interim fee application, filed at Docket number 925.

5 I believe that concludes the fee application, fee
6 applications for the Debtors' professionals. Again, all of
7 the amounts are reflected in the proposed order. And with
8 that, Your Honor, I'll stop, because I believe the remainder
9 are Committee professionals.

10 THE COURT: All right, so it's a good time to
11 canvas the room, see if there are any comments on the
12 remainder of the Debtors' professionals and their
13 application. So, Mr. Zipes, anything from the US Trustee's
14 Office on this group of six?

15 MR. ZIPES: Your Honor, Greg Zipes with the US
16 Trustee's Office. I would just make the general statement
17 that we, we try to be in touch with the professionals about
18 specific issues. And we, we aren't necessarily in touch
19 with them on every fee application. But we, these are
20 interim and we reserve our rights for the final hearing,
21 obviously.

22 THE COURT: All right. Thank you very much. Any
23 other party that wishes to be heard in connection with this
24 group of six interim fee applications?

25 All right. Based on my review of the applications

1 and the supporting documentation, and also the current
2 circumstances in the case, I'm happy to approve these
3 interim fee applications as appropriate under the facts and
4 circumstances here, given the work that's been done, and
5 find them to be appropriate. And obviously, they're interim
6 and will get to the finals at an appropriate time.

7 So, with that, I think we can move onto Agenda
8 Item number 8, to address the Committee's fee applications,
9 which I believe are on the right 8, through number 11. So,
10 Committee counsel.

11 MR. ABELSON: Thank you, Your Honor. Again, Phil
12 Abelson, White & Case, for the Committee. Your Honor, would
13 you like me to take the four? There are four on the agenda
14 for the Committee, and I can take them as a group.

15 THE COURT: Yeah, I'll leave it to you, but I have
16 no problem with that approach, yes.

17 MR. ABELSON: Okay. I think that would be most
18 efficient. So, Your Honor, I'll start with White & Case. I
19 see Mr. Ashmead has appeared. If Mr. Ashmead doesn't mind,
20 I'll just include the Seward & Kissel application in the
21 group.

22 Starting with White & Case, Agenda Item number 8,
23 the application was filed at Docket number 917. There were
24 no comments, either formal or informal, received, or
25 objections.

1 Moving onto Houlihan Lokey, which is the
2 Committee's investment banker, that was at Agenda number 10,
3 Docket number 931. And again, Your Honor, no objections or
4 comments.

5 Next is Berkeley Research Group, which is at
6 Agenda number 11, docket number 934, and same for BRG.

7 And then last, you know, Seward & Kissel,
8 (indiscernible), which is Agenda Item number 9 and Docket
9 number 929. And again, for -- we received no comments
10 either way to any of the Committee professional application.

11 THE COURT: All right, thank you very much. So, I
12 will circle the virtual room on, on these. And so I'll
13 start with Debtor's counsel. Anything from the Debtors on
14 these applications? I'll take that as a no. Anything from
15 the United States Trustee's Office as to these applications?
16 Am I muted? All right?

17 MR. ABELSON: Your Honor, I should say no. I'll
18 say no, Your Honor.

19 THE COURT: All right, thank you. I just wanted
20 to make sure I'm not a tree falling in the forest with no
21 one there. All right, anyone else who wishes to be heard in
22 connection with these interim applications of Committee
23 professionals? All right, I didn't expect to hear anything
24 there, so the silence is entirely appropriate. And I'm
25 happy to approve these interim applications of the

1 Committee's professionals that are on the agenda for today,
2 as appropriate under the facts and circumstances in
3 applicable law, and obviously they'll be addressed in a
4 final fee application. But with that, I think we can move
5 onto the next matters on the agenda. Since we've concluded
6 the professional fee applications, I think we're onto
7 adversary proceedings.

8 MR. ABELSON: Thank you, Your Honor.

9 THE COURT: Thank you.

10 MR. BAREFOOT: Your Honor, Luke Barefoot from
11 Cleary Gottlieb for the Debtors. There are a number of
12 adversary proceedings that either had motions or pretrial
13 conferences that have been adjourned. The only adversary
14 proceeding that's going forward in the nature of a pretrial
15 conference, that was the subject of the letter exchanged
16 that Your Honor referenced at the outset of the hearing, is
17 one of the two Gemini adversary proceedings; Gemini's
18 adversary proceeding against the Debtors, which is
19 proceeding under Adversary Docket 23-1192.

20 THE COURT: All right.

21 MR. BAREFOOT: So, Your Honor, happy to proceed
22 however you'd like, certainly prepared to give a brief
23 summary of the relatively narrow issue that's before Your
24 Honor on the difference between Gemini and the Debtors on
25 the, the proposed schedule for moving forward with the

1 adversary proceeding.

2 THE COURT: All right. Well, I've read the
3 letters, which were helpful, and I appreciate the thought
4 that went into them. I have the schedules and, as I see it,
5 the Debtors have a bifurcated approach for the reasons they
6 set forth. And Gemini prefers one, sort of one larger,
7 essentially, hearing and proceeding, with everything to
8 track.

9 So, I'm happy to, Mr. Barefoot, go give you an
10 opportunity if you wanted to comment on anything in
11 particular. But don't feel the need to do so, in the sense
12 that I have your, I have your explanation and I, I got it.
13 So, anything you want to highlight, otherwise I'll, I'll
14 sort of ask the same set of questions to, to the Gemini
15 folks.

16 MR. BAREFOOT: Got it. Your Honor, in light of
17 that, I'll just be very brief. We believe, as we set forth
18 in our letter, that the two issues in the Gemini proceeding
19 are factually, temporally, and legally distinct. The one
20 concerning the, the original DBTC, what was pledged, and
21 whether that was validly foreclosed on. The second, which
22 very importantly is a condition precedent to effectiveness
23 of our plan, which is whether they, Gemini has a security
24 interest, or a constructive trust in the second set of GBTC
25 shares that they allege were pledged in, in November of

1 2023.

2 And it is a very material dispute. As described
3 in our disclosure statement, if Gemini prevails in arguments
4 with respect to that second tranche of GPC collateral, that
5 has up to a 10 percent negative swing on creditor recoveries
6 overall. So, for that very reason, under our schedule, we
7 prioritize the dispute that is a condition precedent, to
8 effectiveness of a plan, which is that second set of GBTC
9 shares. And under our approach, we would have those heard
10 on January 18, which would give the Court a full month
11 before even confirmation to, you know, potentially render a
12 decision on that motion to dismiss.

13 By contrast, we think their decision, or their
14 proposed schedule really, potentially, squeezes the Court,
15 giving it less than two weeks between the consolidated and
16 much broader, hearing on a broader motion to dismiss, and
17 the proposed confirmation date.

18 Your Honor, effectively, their schedule seeks to
19 extend and delay the decision on the pending motions to
20 dismiss on this second tranche of collateral, and the
21 expense of timely distributions to creditors, I think, for
22 the benefit of perceived leverage.

23 THE COURT: All right, thank you very much.

24 MR. BAREFOOT: Sorry, Your Honor, just, there are
25 two other very minor issues that are between the parties,

1 that I don't think were highlighted in the letters. The
2 first, you may see that we used Your Honor's form of
3 proposed pretrial order. Gemini's proposed pretrial order
4 did not fully track that model order from Your Honor's local
5 rules. We've since clarified with Gemini that there is no
6 dispute between the parties about the additional sort of
7 boilerplate provisions in Your Honor's form of order that
8 were included in our proposed order.

9 And the second, relatively minor, difference
10 between the parties is the date for the answer. The
11 technical date for the answer, given that we filed our
12 counterclaims on ... in November 21, actually passed
13 yesterday. We proposed an additional three days so that
14 Gemini would have until Friday to files its answer and
15 motion to dismiss. Gemini's schedule has that at December
16 21. Particularly given that that would kind of really jam
17 the Debtors over the holidays, we think December 15 is, is a
18 reasonable compromise, and more than the rules would
19 require.

20 THE COURT: All right, thank you very much. So,
21 let me hear from Gemini.

22 MR. BURKE: Good afternoon, Your Honor, Donald
23 Burke from Willkie Farr & Gallagher, for the Plaintiff,
24 Gemini Trust Company. I think I'll, I'll address the
25 bifurcation issue. There's a few points I wanted to clarify

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1 about the discovery schedule before I get there, to make so
2 they don't get lost.

3 One point is that although, as Mr. Barefoot noted,
4 we're largely agreed on the discovery schedule. There is, I
5 think, a difference between the two proposed orders as to
6 the deadline by which parties would serve their initial
7 RFPs, that would then be subject to a substantial completion
8 deadline at the end of January. The Debtor has proposed
9 January 17. And pursuant to discussions, we had with the
10 Debtors previously, we have a deadline at the end of
11 December, which seems more reasonable to us, given that we
12 may not be able to substantially complete production, you
13 know, only two weeks after an RP is served. That's one
14 minor point of departure with the proposed orders.

15 I also want to emphasize that the discovery
16 schedule that's reflected in our proposed order, we do think
17 is appropriate and workable as the case stands today,
18 although we have been in discussions with both the Official
19 Committee and the Ad Hoc Group of Creditors as to potential
20 intervention in the case. And depending on the terms in
21 which the Ad Hoc Group in particular seeks to intervene,
22 we're unsure whether that schedule will turn out to be
23 workable. And in particular, this relates to assurances
24 that counsel for the Ad Hoc Group be able to accept service,
25 discovery, for the group members, so that we can proceed on

1 the fairly expedited timeframe that's contemplated in the
2 proposed order.

3 I don't think that is teed up for decision or, or
4 argument for the Court today, other than for me to flag that
5 the schedule that's in these proposed orders is sort of
6 contingent on those ongoing discussions. And if the Ad Hoc
7 Group comes into the case without that kind of assurance, we
8 may need a longer discovery period.

9 Turning to the bifurcation question, our position
10 is that it's much more efficient and orderly to have both
11 the Motion to Dismiss, the complaint that the Debtors have
12 filed, and also our motion as to counterclaims, briefs and
13 teed up for a hearing by this Court, at the same time, in
14 one combined hearing.

15 We propose a schedule that would have everything
16 briefed and ready for a hearing on February 1. That's still
17 two weeks before the scheduled confirmation hearing in this
18 case. And given what we see as inefficiency of having the
19 parties prepare for in the corporate (indiscernible), hold
20 two different hearings on what are closely related issues in
21 terms of both the facts and, potentially, overlapping legal
22 issues. It just makes a lot more sense to us to, to have,
23 you know, one synched up schedule that arrives at a hearing
24 February 1, which again, is well before the, the scheduled
25 confirmation date, and we think, you know, even farther

1 before any potential effectiveness of the plan here.

2 That's our, that's our position as to bifurcation.

3 We do think it would be unnecessary and inefficient here.

4 If the Court is inclined to hold the hearing on January 18,

5 as the Debtor has proposed, we do think bifurcation makes a

6 lot of sense, but disagree with the, the sequencing. I

7 think, in that scenario, it would be much more efficient and

8 helpful to the Court to sort of split the bifurcation

9 between the Debtor's motion to dismiss the complaint, and

10 our motion as to the counterclaims, and simply hear the, the

11 Debtor's motion on January 18. I think that would give the

12 parties a bit more time to brief the issues. In particular,

13 it would avoid the need to, to drop the reply brief on Your

14 Honor just a couple of days before that January 18 hearing.

15 So, I think the, from our perspective, if you want to go

16 with January 18, and you think bifurcation makes sense, we

17 think it would make sense to start the briefing process on

18 December 21. And then, sort of sequence the brief so that

19 Your Honor would have more time in advance of that January

20 18 hearing, rather than prejudicing our side by, by having

21 our reply come in, you know, just a couple of days before

22 that hearing.

23 THE COURT: Well, let me ask you about the subject

24 matter of that briefing. So, I'm looking at the Debtor's

25 letter and their proposed schedule, just because I need to

1 have one in front of me, and you're responding to their
2 proposal. I guess it's in paragraph 3, to say that the
3 motion to dismiss on counterclaims 4, 5, 6 and 7, shall
4 proceed in the following way. And that dovetails with the
5 schedule in paragraph 2 on the Motion to Dismiss counts 2, 3
6 and 4. How does this subject matter overlap or, or not, in
7 your view, between the matters; that is, what's in counts 2,
8 3 and 4, and what's in the counterclaims 4, 5, 6 and 7.

9 MR. BURKE: I think, in terms of the factual
10 background, there's a great deal of overlap. Because, as
11 Your Honor is aware, this case pertains to two tranches of
12 collateral. Both of them were pledged pursuant to the same
13 security agreement. There are multiple agreements to that
14 security agreement, the first of which is relevant to that
15 initial tranche of collateral. The second tranche is
16 relevant to the additional collateral that was pledged in
17 November of last year.

18 So, in broad strokes, there's factual overlap. In
19 addition, the Debtors have pleaded avoidance actions as to
20 both tranches of collateral. They're distinctly
21 (indiscernible), but they both seek avoidance of transfers
22 of property under the Bankruptcy Code. And we anticipate
23 that our responses to both of those claims are likely to
24 raise overlap in legal defenses and arguments. So, I think
25 there's legal interplay between, you know, all of the

1 counterclaims that, that would be briefed together under,
2 under the sort of second proposal; not our primary proposal,
3 just everything on the same schedule, but different
4 bifurcation where the issues are divided up slightly
5 differently.

6 THE COURT: All right. Anything else, counsel?

7 MR. BURKE: I think that's it from my perspective,
8 Your Honor, thank you.

9 THE COURT: All right. Let me hear from the
10 Committee, if the Committee has anything they wanted to
11 weigh in on?

12 MR. ABELSON: We do, Your Honor, thank you. So,
13 first of all, Your Honor, I think just an update on the
14 status, our status in the adversary proceeding. We haven't
15 yet formally intervened, but that will be coming shortly.
16 My understanding is that we are in agreement with Gemini on
17 all material terms of the Committee's intervention. And the
18 only thing left to resolve are the issues relating to the Ad
19 Hoc Group that counsel for Gemini mentioned.

20 And so, we have been part of the discussions
21 relating to the case, including those that led to the
22 scheduling issues that are before the Court today. And we
23 have been a strong advocate for the schedule that the Debtor
24 is now proposing, or that the Debtors are now proposing.

25 Under ordinary circumstances, Your Honor, we, we

1 perhaps wouldn't have fought so hard on issues relating to
2 the format of a hearing and, and what amounts to a few weeks
3 on the schedule. And you know, I certainly hope that our
4 participation in the larger case to date reflects that we're
5 not picking fights for no reason.

6 So, this one is important to, to the Committee.
7 That's largely for the reasons that Mr. Barefoot described.
8 But I did want to respond just respond briefly to a couple
9 of points that, that counsel for Gemini mentioned. We think
10 the issues are, are really distinct. Factually, any overlap
11 is, is superficial. Yes, it is the same parties and the,
12 you know, the same general time period. But it's really two
13 entirely different transactions, with two sets of legal
14 issues that are going to govern the outcome. And so, we
15 really strongly disagree with the idea that they need to be
16 heard together because of overlap, legal or factual or
17 otherwise, for efficiency reasons.

18 I think, more importantly, Your Honor, and it's
19 important to note that Debtors' motion was filed nearly
20 three weeks ago, on November 21. We think it's entirely
21 reasonable, especially under the circumstances, to go
22 forward with the hearing on those issues, on January 18. No
23 one is seeking to expedite the resolution of that motion.
24 The issue before the Court is whether we're going to delay
25 the hearing for the purposes of joining it with a set of

1 other, more complex issues, relating to the Tranche 1
2 collateral, which don't need to be resolved for the plan to
3 go effective.

4 So, what, what is driving the Debtors' proposed
5 schedule is the desire to make sure this Court has time to
6 address and resolve the motions on the Tranche 2 issues,
7 with sufficient time to make sure that that dispute doesn't
8 delay the effectiveness of the plan, or distributions to the
9 creditors. We think these issues, which are whether Gemini
10 had a security interest in Tranche 2, or alternatively, the
11 right to a constructive trust, can and should be resolved on
12 the pleadings, and the record associated with the pleading.
13 Obviously, we feel the Debtors have very strong legal
14 arguments on both of these issues. But even in a
15 hypothetical, and we hope likely scenario, in which the
16 Court does not agree, that the claims can be dismissed at
17 the pleading stage.

18 We, of course, want to know that as soon as, as
19 soon as possible, so we can deal with it, and the associated
20 plan (indiscernible) issues that it would entail. So,
21 that's what's driving our position, and thank the Court for
22 its consideration.

23 THE COURT: All right, thank you very much. Any
24 other party that wishes to be heard?

25 MR. ABELSON: Can I just make one point of

1 clarification. Mr. Burke did mention that there is a
2 difference in two proposed orders on the deadline for
3 service of requests for production. I candidly think that
4 that was inadvertent on our part, and we are fine with
5 Gemini's proposal to cut off the deadline for request for
6 production in late December.

7 THE COURT: All right, thank you for that.

8 Anything else from anyone else?

9 MR. ABELSON: Your Honor, might I have just one
10 more moment?

11 THE COURT: Briefly, yes.

12 MR. ABELSON: Thank you, I appreciate it. I
13 realize that I overlooked some (indiscernible) to a portion
14 in Mr. Barefoot's remarks. I just wanted to --

15 THE COURT: I've read your, I've read your
16 letters, so this is just hitting the high points so, that's
17 --

18 MR. ABELSON: Yeah. No, I understand, Your Honor,
19 and this is responsive to a point that I don't believe was
20 raised in the Debtor's letters. I just wanted to make a
21 point briefly, which is to reject the suggestion that our
22 scheduling proposal is intended to extract (indiscernible).
23 I think the primary difference between the parties really
24 goes to the, the sort of timeframe by which the issues need
25 to be briefed and, and put before your Court, so that they

1 can be resolved, you know, sufficiently in advance of the
2 confirmation hearing. If, if Your Honor, Your Honor's view
3 is that you would require more time, you know, after the
4 hearing, before the confirmation, before the hearing on this
5 adversary, before the confirmation hearing, then you know,
6 we understand and respect that. And I think, and that's an
7 area that bifurcation would make sense, but we do think that
8 the sequencing should be slightly different for the reasons
9 I outlined previously.

10 THE COURT: All right. So, thank you for the
11 letters. They were thoughtful. I appreciate the comments,
12 including the ... getting ... resolving issues, low hanging
13 fruit that don't need to be the subject of, of a ruling.

14 So, I am inclined to think that bifurcation is, is
15 the way to go here, for a couple of reasons. Courts have
16 always recognized the distinction between matters that
17 affect confirmation and are gating issues before
18 confirmation, and those that aren't. And what I'm hearing
19 is that these are ... well, they're part of, these issues are
20 part of the, these issues are part of the parties' ongoing
21 relationship. They are distinct both factually and legally.
22 And as a practical matter, I never know how long it's going
23 to take to decide these things. So, one of the things
24 that's sort of baked in here is how long it's going to take
25 the Court to figure it out. And I can never answer that,

1 because I don't know. And I won't know until I get in the
2 weeds, and even then.

3 So, courts always hedge our bets to try to make it
4 as, as ... so that we are in a position to rule on gating
5 confirmation issues promptly. And so, the bifurcation
6 approach, I think, is more consistent with that. And that's
7 putting aside any issues that other customers -- I do have
8 another MEGA case that has a confirmation early in 2024,
9 that is very much going from day to day in terms of trying
10 to figure out its path forward.

11 So, I think those are all things that counsel for
12 the bifurcated approach. And so, I do think it's relevant
13 that the Committee favors the Debtors' view, and sort of,
14 given its fiduciary obligations. And I, I do think it's
15 also relevant this, this isn't being ... by agreeing to this
16 expedited schedule and putting certain things first, we're
17 putting them first, but we're not expediting them. So, I
18 think for all those reasons it's, it's appropriate to go
19 with a bifurcated approach. And if, if the parties and the
20 Court have the bandwidth to get everything resolved before
21 confirmation, great. But we sort of all have to hedge our
22 bets to try to allow the case to, to move forward
23 expeditiously. That's the one thing that all parties have
24 stated at various times in this case that -- about getting
25 this resolved quickly, and that's what their, their clients

1 want, it's what the customers want, its what the Debtor
2 wants, it's what everybody wants. And I think this is
3 consistent with that and more consistent with that concern,
4 without sacrificing, in any way, anybody's procedural
5 rights.

6 So, there are a couple of sort of hanging chads
7 that I think we need to discuss, dealing with discovery.
8 And the issue about whether to unhinge, I guess it's
9 paragraphs 2 and paragraph 3. So, if I, if I am
10 understanding correctly, paragraph 2, what's being
11 contemplated to be briefed in Debtor's proposed schedule
12 under paragraph 2, and paragraph 3, are things that relate
13 to the same set of transactions. And so, as opposed to the
14 different tranche, that's sort of the subject of paragraph
15 4.

16 Assuming I have that correctly, I think I do, I
17 think it, I think it does make sense to keep those together,
18 because that's the kind of overlap that can be problematic
19 for res judicata, collateral, estoppel reasons, as well as
20 for efficiency. So, I don't have a problem doing those
21 together. But I do think that the other tranche -- I think
22 there's degrees of separateness, and I think there's, the
23 way the scheduling order is laid out is, is 2 and 3 are
24 different, but much closer cousins than 2 and 4. And so, I
25 think that's why that was proposed to be handled that way.

1 That seems sensible to me. And I always reserve the right,
2 to the extent that we get into arguments and say, "Well,
3 Judge, this is what you really should decide first, second,
4 and third. And these are other legal issues, and we think
5 you should stagger them this way or that way or the other
6 way, we'll get into it. But again, you recognize I'm
7 dealing with this from a, sort of a thousand-foot view. I'm
8 not nearly as familiar with the issues as you are. I have
9 looked at the motion to dismiss briefly. But I'm, I'm
10 certainly not anywhere close to where you all are, in terms
11 of being in the weeds. So, so that was one hanging chad.

12 And the other is the question of, of discovery.
13 And so, let me ask, so what else is out there that, that I
14 haven't addressed yet, that we need to talk about? I know
15 there were some things that you all hadn't quite hit a wall
16 on yet. You had a difference of opinion. I'm happy to let
17 you continue to talk in the, in the context of what guidance
18 I have given you. Or I'm also happy to try to help rip the
19 band aid off in one fell swoop, because you have other
20 things to do in your life. I'll -- somebody let me know
21 what you think.

22 MR. BAREFOOT: Your Honor, I think we're actually
23 agreed on paragraph 5 in our proposed order, subject to
24 revising paragraph 5A to move it to the, the deadline for
25 request for production to be what Willkie has proposed as

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1 December 27, which is acceptable to the Debtors. I think
2 those other dates for fact and expert discovery, are
3 identical between our two proposals.

4 THE COURT: All right, so let me ask the Debtors
5 if there's anything else that we need to address in the
6 context of this adversary proceeding and schedule?

7 MR. BAREFOOT: Your Honor, I don't believe so.
8 We'll, we'll make the, that revision to the proposed order,
9 run it by Mr. Burke and, presumably, submit it to chambers
10 shortly. And otherwise, we will be off to the races on
11 briefing and discovery.

12 THE COURT: All right. And Mr. Burke, anything
13 else?

14 MR. BURKE: Your Honor, could I interject, yeah,
15 thank you. I think, I just want to make sure I understand
16 the concept, which is to follow the Debtors' proposal, where
17 both, I guess the response to ... their Motion to Dismiss and
18 our Motion to Dismiss, the first tranche of counterclaims,
19 be briefed such that it can be heard on or about January 15.
20 Is that what I understood?

21 THE COURT: Well, yeah. Well, said another way, I
22 think the proposal that they've put forth in their order I
23 agree with, which is in terms of paragraphs 2, 3 and 4, so
24 it separates out. It keeps together 2 and 3, and it
25 separates out 4. And so, I, based on what I've heard, I

1 think that that's an appropriate approach.

2 MR. BURKE: Okay. So, with that understood, I'd
3 make the request that the deadline, the first deadline here,
4 which the Debtor included in a proposal, of December 15,
5 which is this Friday, we would ask that that be moved out at
6 least until after the weekend, just because the, the
7 December 21 date that we had proposed in our, our order,
8 goes back to prior discussions with the Debtors, and it's
9 something we've been sort of tracking towards. And so, I
10 think that it would be particularly helpful from our
11 perspective to at least get, you know, moving from December
12 15 until after the weekend at least.

13 THE COURT: So, you're talking --

14 MR. BAREFOOT: Your Honor, that's fine.

15 THE COURT: -- about 2, 2A and 3A going from
16 December 15 to December 18?

17 MR. BURKE: That's correct, Your Honor.

18 THE COURT: All right. Mr. Barefoot?

19 MR. BAREFOOT: That's fine with the Debtors, Your
20 Honor.

21 THE COURT: All right. So, we'll make that change
22 as well. All right. And I can't, somebody can remind me --

23 MR. BURKE: We appreciate that, Your Honor, thank
24 you.

25 THE COURT: Sure. There was also a discussion

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1 about an answer, and I can't remember if that was something
2 that we needed to address. Obviously, this is a briefing
3 schedule on motions to dismiss, but I do remember someone
4 mentioning an answer. So, remind me if there's anything we
5 need to address in connection with, with that.

6 MR. ABELSON: Your Honor, I think you're right
7 that we do need to address that, and it's not addressed in
8 the proposed order. But I think, you know, the answer in
9 the Motion to Dismiss, to the extent there are counts that
10 they don't anticipate moving against, and anticipate
11 answering instead, those should be on the same schedule.
12 But we would, I think, just make the deadline to answer the
13 same December 18.

14 THE COURT: All right. Since I am in the Charles
15 Brieant Courthouse, I do feel dutybound to pass along the
16 wisdom of the late Charlie Brieant who said the answer was
17 the most useless piece of paper in a litigation. But I
18 don't want that to influence anyone's views on the briefing
19 schedule. But Mr. Burke, your thoughts?

20 MR. BURKE: Well, with that (indiscernible), I'm
21 not sure I'm supposed to be talking now ... I suggest that
22 maybe it would make sense for us to discuss with Mr.
23 Barefoot -- I'm actually not sure which of the two motion to
24 dismiss deadlines actually correspond to a sensible answer
25 deadline, just because it may not, may not be entirely clear

1 until January 5, which is the last of the motion to dismiss
2 deadlines, which is the --

3 THE COURT: So, here's what I'll do. I don't
4 think the --

5 MR. BURKE: -- claims in the complaint we would be
6 moving to dismiss.

7 THE COURT: I don't think the answer is, is the
8 thing driving the train here. So, I'll let you all chat.
9 And if you ... I expect you'll be able to come up with
10 something that works for all of you. If for some reason you
11 don't, you know, pick up the phone and we'll have a
12 conversation. But I think -- again, this ... you're much
13 closer to it than I am. So, I'm one instrument in the
14 context of this. So, I'd much rather have the answer come
15 from your consultations than from me randomly picking
16 something. So, so why don't we do that? And I think the
17 most important thing is, is the briefing schedule and what's
18 being briefed when, and that I think we have well in hand.

19 MR. BAREFOOT: Understood, Your Honor. We'll
20 confirm with Mr. Burke concerning the answer date, and I'm
21 sure, as you said, we can come up with a reasonable
22 agreement.

23 THE COURT: All right. All right.

24 MR. BURKE: Yeah, I share that expectation as
25 well.

1 THE COURT: Okay, great. Thank you, and I
2 appreciate that. So, with that, let me ask the Debtors if
3 there's anything else that we need to address here this
4 afternoon?

5 MR. BAREFOOT: No, you know, that concludes
6 today's agenda, and we will see you next week.

7 THE COURT: All right. Let me ask if there's
8 anything from any other party. All right, hearing nothing,
9 thank you all and I will see you all next week. Be well.

10 MR. BAREFOOT: Thank you, Your Honor.

11 (Whereupon these proceedings were concluded at
12 3:03 PM)

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1 C E R T I F I C A T I O N

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3 I, Sonya Ledanski Hyde, certified that the foregoing
4 transcript is a true and accurate record of the proceedings.

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Sonya M. Ledanski Hyde

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8 Sonya Ledanski Hyde

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25 Date: December 19, 2023